



Transmission Business Line (TBL)

ATC Methodology

Contract Accounting Methodology

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This document describes the Contract Accounting Methodology used to determine ATC for Interties and External Interconnections, and to assess the impact of requests for transmission across Network Flowgates in the interim between power flow study cycles.

Unless otherwise defined herein, capitalized terms are defined in the primary ATC Methodology document, TBL's Tariff, or its 2004 Transmission & Ancillary Service Rate Schedules or its successor.

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1. Contract Accounting Methodology Assumptions

The Contract Accounting Methodology assumptions include:

- A. Limited netting
 - ◆ Some netting across the Network Flowgates for Network Integration (NT) and Point-to-Point (PTP) Transmission Service Agreements, Integration of Resources (IR) contracts, and Formula Power Transmission (FPT) contracts serving load in the Pacific Northwest is based on historical Light Load Hour (LLH) data.
 - ◆ For PTP, FPT, and IR contracts, Point of Receipt (POR)/Point of Delivery (POD) combinations serving load in the Pacific Northwest, netting for each Network Flowgate is based on a ratio of monthly loads in LLH to winter loads in Heavy Load Hours (HLH). For NT contracts, netting for POR/POD combinations for each Network Flowgate is based on a ratio of monthly loads in LLH to monthly loads in HLH.
 - ◆ All other contracts with firm transmission to loads outside of the Pacific Northwest (such as contracts delivering to the head of the AC Intertie) are assumed to use their full contract demand simultaneously on TBL's share of the Transmission System.
- B. Non-coincident (by individual POD) normal 1-in-2 year (that is, the probability of actual loads exceeding the forecast is estimated to be .5) monthly peak load forecasts are used for NT contracts.
- C. Cut Case Path Utilization Factors (PUF) value. PUFs are derived from a model of TBL's system only, not the entire WECC loop (commonly referred to as a cut case).
- D. Federal Resource Dispatch:
 - ◆ Modified 90th Percentile Method for federal dispatch for NT service.

The amount of NT load served by federal resources is determined by decrementing the NT load forecast by the amount of the Customer-Served Load and non-federal NT resources serving such load, as specified in the NT Service Agreements. NT contracts do not identify the amount of transmission from specific federal Network Resources to Network Load. Because dispatch patterns for federal Network Resources can vary, assumptions are necessary for determining power flow analysis described in Section 2(c) of Appendix 6. These assumptions used the Modified 90th Percentile Method in the Contract Accounting Methodology.
 - ◆ Additional adjustments for federal resource flexibility.

Additional adjustments are made to allow for operational flexibilities to balance the federal hydro system to meet non-power obligations. These adjustments were made to the Contract Accounting Flow as follows: 200 MW on the North of Hanford Flowgate for March through September; 100 MW on the Cross Cascades North Flowgate for June through September; and 200 MW on the Cross Cascades South Flowgate for June through September.

2. Mapping the Impact Across Each Network Flowgate

$$\text{Contract Accounting Flow} = \text{POR/POD demand} \times \text{PUF}$$

The Contract Accounting Methodology evaluates individual NT, PTP, and grandfathered contracts (IR, FPT, and other contracts--including agreements where TBL provides Transmission Service to Investor-Owned Utility (IOU) loads located in TBL's Control Area, and obligations to the United States Bureau of Reclamation (USBR) to serve irrigation pumping load) and maps their respective rights onto each of the Network Flowgates, External Interconnections, or Interties using the PUF.

The impact of each contract over each Network Flowgate ("Contract Accounting Flow") [I think this contradicts the reference in the base ATC Methodology document.] is the product of the demand (or load forecast for NT) for each POR/POD combination multiplied by the PUF value for that corresponding Flowgate. In cases where there are multiple PORs and PODs, the contract demand for PTP, IR or FPT contracts was proportionately allocated to the PORs and PODs as shown in Section 6 below.

3. Determine Contract Accounting ATC

$$\text{Contract Accounting ATC} = \text{TTC} - \text{Contract Accounting Flow}$$

To obtain the Contract Accounting ATC, the sum of the Network Flowgate impacts, including the adjustments described in Sections 2 and 3 above (Contract Accounting Flow), is subtracted from the Total Transfer Capability (TTC) of each Network Flowgate.

4. External Interconnections and Interties

The ATC for External Interconnections and Interties is calculated using the results of the Contract Accounting Methodology, without adjustments for planning study results. The Contract Accounting Methodology applicable to Interties and External Interconnections modifies two key assumptions. First, netting is assumed for only the West of Hatwai and LaGrande External Interconnections. In the case of West of Hatwai, the netting approach described in this document is employed. In the case of LaGrande, federal generation serving grandfathered and Network Loads in Southern Idaho is netted against peak loads in that area to calculate the ATC for LaGrande in the west-to-east direction. Second, for all other transactions using an Intertie or External Interconnection, the full amount of the load forecast or contract demand is deducted from the ATC (except for the previously mentioned netting).

5. Multiple POR/POD Evaluation Example

Some contracts contain multiple PORs and PODs. In order to use the PORs to calculate Flowgate flows, the total contract demand must be allocated among all possible POR/POD combinations. The following is an example of how contract demand for PTP or IR contracts was proportionately allocated in cases where multiple POR/POD combinations were possible.

Note: TBL no longer accepts requests with multiple PORs and PODs.

| | | | | | |
|---|-------------|-----------|-------------|------------|------------|
| Multiple to Multiple PTP Example | | | | | |
| Hypothetical Long Term Contract for 2000MW | | | | | |
| | POR | MW | | POD | MW |
| | | | | | |
| | A | 1000 | | X | 1200 |
| | B | 650 | | Y | 300 |
| | C | 50 | | Z | 500 |
| | D | 300 | | | |
| | | 2000 | | | 2000 |
| Allocation of POR Demands to the POD's | | | | | |
| | | | PODs | | |
| | 2000 | | X | Y | Z |
| | | | 1200 | 300 | 500 |
| PORs | A | 1000 | 600 | 150 | 250 |
| | B | 650 | 390 | 97.5 | 162.5 |
| | C | 50 | 30 | 7.5 | 12.5 |
| | D | 300 | 180 | 45 | 75 |
| | | | 1200 | 300 | 500 |
| | | | | | 2000 |
| | | | | | 2000 |

Revision History

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| 06/07/05 | Removed Appendix 2 from the base ATC Methodology document and posted as a separate document on the Tools, Assumptions, and Data Input page of TBL's web site. Minor edits to clarify. |
| 11/12/03 | This document was included as Appendix 2 of the ATC Methodology. |